IN THE HIGH COURT OF JUDICATURE OF BOMBAY

CIVIL APPELLATE JURISDICTION

CIVIL APPLICATION NO. 567 of 2005

IN

APPEAL FROM ORDER NO. 234 OF 2000

The Ratnakar Bank Ltd. .. Petitioner

versus

M/s.Mehta General Hospital & ors. .. Respondents

...

Mr.G.V. Bhagnise i/b M/s.Divekar for the petitioner.

Mr.S.V. Sadavarte for the respondent nos. 1 to 5.

CORAM : B.H. MARLAPALLE,J

DATED : 22nd September 2005.

P.C.:

1. Heard.

2. Admittedly, the applicant bank had advanced loan which was secured and the borrower hospital states that the property hypothecated against the

said loan is valued at Rs.1.5 crores. The bank guarantee furnished earlier was for a period of three years from 5th May 2000 to 4th May 2003.

3. AO no.234 of 2000 was dismissed as infructuous by this Court on 23.7.2003. Until its dismissal, at no point of time, the appellant filed an application for renewal of the bank guarantee which has expired on 4th May 2003. In any case, there is no justification in praying for directions for the renewal of the old bank guarantee or for a fresh bank guarantee when the loan is secured by way of mortgage.

4. Application is therefore, rejected summarily.

B.H. MARLAPALLE, J